



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 14-04)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 14-04 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: May 15, 2014.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

MAY 13 2014

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 14-04, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Iraq for defense articles and services estimated to cost \$90 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "J. W. Rixey".

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 14-04

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b) (1)
Of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Iraq
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ 60 million
Other	<u>\$ 30 million</u>
TOTAL	\$ 90 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 7 Aerostats (17 meter) and 14 Rapid Aerostat Initial Deployment (RAID) Tower Systems, installation, spare and repair parts, support equipment, publications and technical data, site surveys, U.S. government and contractor technical assistance, personnel training and training equipment, and other related elements of program and logistics support.
- (iv) Military Department: U.S. Army (UBN)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex
- (viii) Date Report Delivered to Congress: 13 May 2014

* As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Government of Iraq (GOI) - Aerostat and Rapid Aerostat Initial Deployment System Towers

The Government of Iraq has requested a possible sale of 7 Aerostats (17 meter) and 14 Rapid Aerostat Initial Deployment (RAID) Tower Systems, installation, spare and repair parts, support equipment, publications and technical data, site surveys, U.S. government and contractor technical assistance, personnel training and training equipment, and other related elements of program and logistics support. The estimated cost is \$90 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a strategic partner. This proposed sale directly supports the Government of Iraq and serves the interests of the people of Iraq and the United States.

This proposed sale would facilitate progress towards increasing the Iraq's ability to provide protection of national level command and control sites, military installations, and other critical infrastructure against terrorist attacks. Iraq will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Raytheon Company of Arlington, Virginia. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require up to 12 U.S. Government and contractor representatives to travel to Iraq over a two year period to provide technical support, program reviews and training.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 14-04

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The Aerostat and Rapid Aerostat Initial Deployment (RAID) System Towers are Unclassified. The Aerostat is a large fabric balloon filled with helium and has the capability to carry up to a 200 pound payload and reach a maximum altitude of 1000 meters. Aerostat operator/support personnel consist of an 8-12 person team. The RAID tower will be the 107 foot variant supported by 3-5 person teams. The common sensor for both platforms is the Forward Looking Infrared Radar (FLIR) manufactured Star Safire III (max range 18K). These systems provide downward looking surveillance but do not provide a targeting capability. The enhanced Battlespace Reconnaissance Intelligence Surveillance software and mapping data are commercial variants.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Iraq.